

From: Pat Shey
To: Weaver, Julie
Cc: Sarah.Hilderbrand@adm.idaho.gov
Subject: Re: Involta and the Idaho Division of Building Safety RFQ for Data Back-up Services
Date: Wednesday, September 27, 2017 6:19:08 AM

Ms. Weaver:

Thank you for your email. I have forwarded your email to Randall Rings, our general counsel, for review.

Patrick Shey Associate Counsel

Involta, LLC
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Cedar Rapids, IA 52401
C: 319-560-2650
Email: pshey@involta.com
On the World Wide Web: www.involta.com

From: Weaver, Julie <julie.weaver@ag.idaho.gov>
Sent: Tuesday, September 26, 2017 4:53 PM
To: Pat Shey
Cc: Sarah.Hilderbrand@adm.idaho.gov
Subject: RE: Involta and the Idaho Division of Building Safety RFQ for Data Back-up Services

Mr. Shey:

I am writing to you to alert you to an issue that was brought to my attention concerning the actions of Involta's Idaho lobbyist, John Foster. I understand he requested and was granted a meeting with the Idaho Division of Building Safety (IDBS) regarding its expected re-procurement of the failed request for quotation concerning data back-up services for IDBS. Spencer Holm, IDBS's deputy attorney general attended the call. Mr. Holm was not aware of the implications of this call until he spoke to me about some of the statements Mr. Foster made concerning the state procurement act.

Mr. Holm reported to me that Mr. Foster explained theories he held concerning avoiding a competitive solicitation for the data back-up services. He also misrepresented the value of the contract, which was interpreted by Mr. Holm as a suggestion that it could be broken into several smaller one-year contracts to bring the cost below the dollar amount requiring competitive solicitation. Doing this would be in direct violation of IDAPA 38.05.01.01, which provides that "[c]osts are determined based on the following: a. One-time purchase of property; or b. Total cost of a contract for services, including renewal or extension periods" and .02, which provides that "[a]cquisition requirements shall not be artificially divided to avoid bid statutes, rules or policies."

Idaho Code section 67-9230(4) provides:

No officer or employee shall conspire with a vendor or its agent, and no vendor or its agent shall conspire with an officer or employee, to influence or attempt to influence the award of a contract, or to deprive or attempt to deprive a vendor of a contract.

Idaho Code section 67-9231(2) makes a violation of Idaho Code section 67-9230(4) a felony. In addition, the Division of Purchasing may disqualify Involta from submitting a bid on the upcoming re-procurement or for a period of up to 5 years for attempting to cause specifications to be drawn in Involta's favor or for knowingly violating the provisions of the state procurement act. See, Idaho Code § 67-9217.

The Division of Purchasing takes very seriously the Legislature's declaration that it is the policy of the State of Idaho to engage in open, competitive acquisitions of property. If the Division of Purchasing obtains credible evidence that Mr. Foster or any other person acting on behalf of Involta violates Idaho Code sections 67-9230 it will report the information to prosecutorial authorities. The Division will also initiate the disqualification process under Idaho Code section 67-9217.

Thank you for your prompt action concerning this matter.

Julie K. Weaver
Deputy Attorney General
Idaho Office of the Attorney General
P.O. Box 83720
Boise, Idaho 83720-0010
208-334-4145

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From: Randy Rings
To: Weaver, Julie
Subject: Involta and the Idaho Division of Building Safety RFQ for Data Back-up Services
Date: Monday, October 30, 2017 7:00:35 AM

Ms. Weaver –

I am the General Counsel for Involta. Your message to Pat Shey on the subject above has been forwarded to me. Unfortunately, that happened at a time when I was returning to the office after being out of the country and then being out of the office with the flu. As a result, I marked it for later review and only recently had a chance to review your message.

I will investigate the matter and that process has begun.

Involta has always been, and remains, committed to compliance with the laws applicable to its business and operations.

I apologize for the delay in responding to you.

-Randy

Randall Rings | Chief Administrative Officer & General Counsel
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